GOVERNMENT OF INDIA
SCIENCE AND TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:4408
ANSWERED ON:14.12.2016
R&D Centres of MNCs
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Will the Minister of SCIENCE AND TECHNOLOGY be pleased to state:

(a) whether India remains the number one location for Multi National Companies (MNCs) to establish product engineering and research and development centres outside their home countries and if so, the details thereof;
(b) whether the growth of these centres in India is outpacing the average global growth;
(c) if so, whether 69% of all new offshore tech centres established in 2015 came up in the country; and
(d) if so, the details thereof?

Answer

MINISTER OF STATE OF SCIENCE AND TECHNOLOGY AND EARTH SCIENCES

(SHRI Y.S. CHOWDARY)

(a)&(b) Madam, Government of India has not conducted any study on this subject. However, according to a study by Zinnov Management Consulting Pvt. Ltd. Bengaluru, India accounted for $12.3 billion, or 40% of the total of $31 billion revenue related to globalized engineering and R&D generated by MNC captives outside their home countries in 2015.

The revenues on globalized engineering and R&D generated by R&D centres of MNCs in India during 2015 grew by 8.3% over 2014 as against average global growth of 7.6% by all the R&D centres of MNCs outside their home countries. Presently, the average growth of engineering and R&D centres globally is 6-7%, whereas Indian engineering and R&D centres are growing at an average rate of 10-12%.

(c)&(d) Year 2015 saw 69% of all new offshore technology centres being established in the country. New R&D centres have been set up in India in the previous two years along with expansion of the older ones. These centres were in areas such as software & internet, telecom & networking, semiconductors, consumer electronics, automotive, computer peripherals, medical devices, industrial research, aerospace and defense.

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